



April 6, 2005

Members Present: Zuege, Marini, Huang, Slocum, Lynch, Bendix, Blackwelder, White (for Jewell), Boucher, Barczyk, Drew, Hamon

Others Present: OCLC Members Council Delegates Boehning & Wilkinson, Karen Grothe, new public library alternate, Schneider

The meeting was called to order by Zuege promptly at 9:30 a.m. A MOTION to approve the minutes of the November 11, 2004 meeting was made by Huang, seconded by Hamon and unanimously approved by voice vote.

FINANCIALS: Kathy Schneider distributed a financial report reflecting account status as of January 31. Overall, the mid-year financials are positive. Schneider presented a breakdown of ILL usage by type of library: total requests are up 14% over last year, with increased activity by UW libraries, public libraries, DLTCCL and UW Madison, and decreased activity by private colleges, special libraries, and technical colleges. The increases at UW libraries may result from use of patron-initiated requests.

STATUS OF FY05 PLAN: Board members reviewed a report prepared by Kathy Schneider. Schneider noted that much time has been focused on the digital project, Wisconsin Heritage Online, and work of the Illinois Model Committee (formed at the November Board meeting). Discussion of these projects was set aside because each would appear as a separate agenda item later in the meeting. Schneider reported that the Support Log is providing very useful and interesting information: WiLS and OCLC are sharing information on a bimonthly basis to identify what questions are being asked with high frequency. Often-asked questions will identify areas where further training is needed; a future plan is to send reports outlining areas in which support was requested to library directors.

PLANNING FOR WiLS WORLD: Many programs are already in place, including Joe Janes speaking on digital reference, OCLC's Chip Nilges on the future of WorldCat, a program on group services in Illinois, a digital project at Marquette University, and Peter Gorman of UW-Madison speaking about their digital metadata server. Pending program topics include pod-casting, gaming and its relevance to libraries, and the designing of Cleveland Public Library's eBook web page. Members agreed that a breakfast meeting with short presentations was a popular WiLS World feature and should be repeated this year; numerous suggestions for presentation topics were shared. All agreed that it will be important to enforce strict time limits on each presentation. The possibility of doing poster sessions or creating articles for the newsletter about topics not chosen for

presentation at the breakfast was discussed.

WISCONSIN HERITAGE ONLINE: At a meeting to be held in early May, committee members will focus on the shift from the Digital Exploratory Committee to the WHO Planning Committee. The Digital Summit was a great success, with attendance by libraries and other cultural and related institutions. Thirty-six institutions signed on as Founding Members of WHO; board members suggested that additional Founding Members might be secured through direct invitation. Seven working groups have been established to move the project forward. A too-short timeline prevented completion of a grant application for the project; interim funding/staff will come from WiLS and UW-Madison. Next year, a half-time staff position will be created by shifting duties of current WiLS personnel. Future funding from LSTA will be limited to small projects of organizations rather than used for setting up infrastructure. It was agreed that Questions/Answers gathered from the Digital Summit should be mounted on the web. Members suggested that invitations to WiLS World be extended to museums and historical societies to support the desire for collaboration on the digital project.

ILLINOIS MODEL COMMITTEE: Karen Boehning reported on committee actions. After an initial meeting with OCLC in February, further negotiations regarding costs will take place in May. The committee has divided into groups by constituency and will make presentations at meetings of CUWL, Peer Council, WAICU, WiLS World, WILIUG and WLA. Members suggested that school libraries and small public libraries be contacted as well.

PLANNING FOR FY06: Kathy Schneider presented a preliminary draft; key focus areas will be OCLC group services, Wisconsin Heritage Online, virtual reference re-invigoration, and an ILL review and assessment. The WiLS Board finance committee has been formed; as recommended by the auditors, a half-time accountant position will be created and filled in time for the annual audit. The WiLS office also hopes to acquire appropriate Desktop Management software for ILL staff.

PRELIMINARY BUDGET OVERVIEW & ISSUES: Schneider presented a budget overview and a suggested schedule of fees for FY06. She described key factors that would drive the budget, including elimination of OCLC commissions, necessity to subsidize WHO digital project, and OCLC price increases, and also explained creation of a new membership category for groups. After review and discussion of these issues and review of the proposed fee structure, a MOTION was made by Hamon, seconded by Bendix, to adopt the proposed fee structure with the exception of reducing the proposed Basic Annual Membership fee from \$175 to \$160. The motion passed unanimously. A second MOTION, to continue to subsidize the WHO and digital services effort for another year using WiLS project funds was made by Barczyk, seconded by Blackwelder, and passed unanimously.

MEMBER COUNCIL REPORTS: Wilkinson described OCLC's view of how technology will change the way information is delivered in the future, including looking at how the Google model could serve libraries. OCLC's interest in internationalization is another current area of focus with potential for improving their income stream. Boehning noted that OCLC's current council structure, with 60 members and 8 international members, could be reconfigured in response to globalization: either a larger council would be considered, or the council would remain the same size, but with fewer U.S. members. Representation might be based upon financial expenditure.

ELECTION OF NEW CHAIR-ELECT: Zuege reported that the nominating committee had received agreement from Peter Hamon to serve as Chair-Elect. There being no further nominations from the floor, a MOTION, to cast a unanimous ballot for Peter Hamon to fill the post of Chair-elect, was made by Bendix, seconded by Boucher, and passed unanimously.

WiLS DIRECTOR'S REPORT: Kathy Schneider described OCLC's efforts to increase revenue by eliminating commissions, instituting online ordering, encouraging rapid implementation of new products/services, and giving networks like WiLS the option to become "sales partners." The 2.9% commission previously paid to WiLS on core services will be reduced over a two year period and fully eliminated by FY08. Members of the board discussed the "sales partner" concept; many were uncomfortable with WiLS taking a sales role, preferring that WiLS continue to make meeting the needs of Wisconsin libraries their priority. Members noted increased "cold call" activity by OCLC's sales force. Schneider will gather more information regarding OCLC's "sales partner" proposal in a meeting later this spring.

There being no further business, a MOTION to adjourn was made by Boucher, seconded by Huang, and passed unanimously. The meeting adjourned at 1:35 p.m.

Respectfully submitted,
Cynthia D. Lynch, Secretary

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November 11, 2004

Board Members Present: Zuege (Chair), Marini, Hamon (alternate), Huang, Slocum, Boucher, Bendix, Wilkinson, Boehning, Jewell, Strube.

Connected by conference call: Barczak.

The meeting was called to order by Zuege at 10:05 a.m. In the absence of the secretary, Zuege asked for someone to take minutes; Bendix volunteered. A motion to approve the minutes of the July 28, 2004 meeting was made by Bendix, Seconded by Huang, and unanimously approved by voice vote.

FINANCIALS: Kathy Schneider presented an overview of the audit performed by the firm of Wipfli Young for WiLS fiscal year July 1, 2003 to June 30, 2004. While Schneider noted that low interest rates and cuts in DPI contracts have minimally affected the overall financial picture. Zuege noted that if depreciation was factored differently, bottom line figures would be healthier. Hamon recommended that the audit be run considering WiLS as a public entity and leaving out capital depreciation, and that a letter of cash value be run separately to include creating a sinking capital fund rather than factoring in depreciation. Schneider will talk to the auditors.

Slocum questioned the vacation liability line and the QP Project figures which Schneider answered.

Schneider reported that the auditors had concerns of her being heavily involved in the preparation of materials offered to the accountants, along with her providing the “collective memory” of transactions. Creation of more documentation for journal entries would alleviate this concern, along with having someone else on the WiLS staff taking over some of the accounting preparation. It was not considered feasible to hire someone for the WiLS office to solely work on bookkeeping. Schneider will consider the suggestions offered by the Board members and report back at future meetings.

Schneider noted that the auditors recommended the creation of a 5 member Finance Committee, perhaps to meet on a quarterly basis, to review in more detail WiLS financials. This committee would include persons outside of the WiLS Board whose opinions might not be colored by project sympathies but also would have financial expertise. This committee would include the Chair and Treasurer of the Board, along with Schneider. Schneider asked that the Board forward names of potential volunteers to her.

THE FY 2005 PLAN was presented by Schneider. She noted that the information is very similar to that presented to the Board in July, but is also broken down by programs. Following discussion, Boucher moved to accept the plan, seconded by Huang, and the motion was unanimously approved by voice vote.

Hamon introduced the concepts of two new services WiLS might undertake on behalf of public libraries: one, that WiLS serve as a vehicle for patrons to request/receive ILL items for which they would pay a fee when they've exhausted their local library's abilities to provide service at no cost, and two, that WiLS consider serving as a conduit for potential donors requiring an entity with 501 c (3) status to channel money to public libraries. Bendix spoke in favor of both.

Discussion turned to other potential long range projects for WiLS. Boucher asked what entities similar to WiLS do in other states. Schneider noted three: state programming (which she feels is ably handled in WI through WLA units and the library schools), consulting, and running consortia. Zuege and Marini noted that the CESA districts also do some of the above. Bendix noted a need by public libraries for low cost consulting services in building and long range planning processes. Marini recommended that as a goal someone on the WiLS staff have expertise in digitization.

Slocum asked for a progress report in #4 of the Action Plan FY 05 regarding OCLC activities. Discussion followed regarding the efficacy of WISCAT. It was noted that the vast majority of data in WISCAT is in OCLC, and it was noted that a significant percentage of data in WISCAT that is not in OCLC is invalid. Members spoke of the low priority of keeping WISCAT records current when faced with staffing and budget constraints. Slocum moved that the WiLS Board form a subcommittee to explore and implement the Illinois model of a state subscription for cataloging, ILL, and WorldCat for Wisconsin. Boucher seconded, and the motion was unanimously approved by voice vote. Jewell asked who will serve on the committee in order to include proper representation and to facilitate open communication. It was informally determined that the OCLC member council representatives on the WiLS Board would be included, a representative from DPI, the WiLS Board chair, and one or two additional WiLS Board members representing varying constituencies.

A DIGITAL EXPLORATORY report was presented by Schneider who noted that the group met at the November WLA Conference and will meet again in November. Wilkinson noted that an important issue for implementation will center on software and whether it is technically possible to select only one program. Schneider noted that Reference & Loan is developing a method of building an inventory of is digitized and what collections libraries would like to see digitized.

MEMBERS COUNCIL REPORTS were given by Wilkinson and Boehning. Three topics were raised: one, concern about how OCLC interfaces with regional networks, including whether OCLC is acting more like a vendor than a representative of member consortia; two, the burgeoning of gaming theory and its potential impact on online and collaborative learning as evidenced by blogs and chats; and three, the international presence of OCLC.

WiLS DIRECTOR'S REPORT noted that the Ask Wisconsin program is undergoing a financial restructuring along with changes in staffing commitments by individual libraries. At this time, participants will pay twice the cost but with half the staff involvement and a six month trial will be undertaken in 2005. Schneider noted that a goal is to work towards full state coverage, possibly splitting academic and public.

Schneider recommended that Board members take a look at OCLC's new publication "Content Not Containers" available at www.oclc.org/reports/2004format.htm

Schneider noted that downloadable audio books will soon be available through NetLibrary. She will provide subscription information in December via list serves.

BOARD POSITIONS ANNUAL CALCULATIONS were distributed – no changes to the current structure.

OTHER BUSINESS included polling the Board regarding dates for the spring meeting. The newly formed WorldCat group will meet in December. WiLSWorld is scheduled for July 19-20.

The meeting was adjourned at 2:30 p.m.

Submitted,
Linda A. Bendix, Acting Secretary

July 28, 2004

Board Members Present: Mary Lou Zuege, Chair, Cynthia Lynch, Susan Richards (for Charlotte Slocum), Ewa Barczak, Joyce Huang, Marc Boucher, Terry Dawson, Linda Bendix, Peter Hamon (alternate), Robert Hafeman (alternate), Janet White.

Absent: Mary Blackwelder, Fred Marini

Guest: Corinne Wolcelka

After a luncheon and informal re-introductions, the meeting was called to order by Zuege at 1:50 p.m.

Review/Approval of FY05 Budget

Schneider presented updated projections of FY04 income and expenditures. Although not yet final, figures should be close to expectations and WiLS will essentially “break even” in FY04. The proposed FY05 budget projects approximately \$7,000 more in expenses than in income. Board Members discussed the implications of approving a deficit budget. Sustaining a negative balance has occurred in past years; also, the amount of the deficit could be made up over the course of the year and, if not, funds in Reserve accounts are sufficient to cover it. Schneider described the actions that WiLS had taken to address shortcomings in ILL procedures related to the threatened copyright suit and shared her opinion that any financial ramifications would probably be minimal and should not impact the budget. Members agreed that the budget as prepared clearly reflected the organization’s financial expectations. A motion to adopt the FY05 budget as presented was made by Dawson, seconded by Barczyk, and unanimously approved by voice vote.

WiLS Membership Categories and Fees

Schneider described recent changes that OCLC has made to subscription rates for CatExpress service. Very small libraries can now elect to pay OCLC \$175 to catalog up to 250 titles/year, \$437 for 251 to 500 titles/year, and \$865 for 501 to 1000 titles/year. WiLS’ current CatExpress membership fee is \$300/year. Schneider asked the Board whether WiLS should create a new special category that would be more affordable for small libraries. Board Members discussed the potential market for this new category, the benefit of adding new members, and the impact that additional small library members might have on the workload of WiLS staff. Board Members agreed that it could be beneficial to increase membership, and that some marketing should be done to raise awareness of the new pricing. A motion, that WiLS should establish a “Small Library CatExpress” category with a \$150 annual fee for up to 500 titles, AND that WiLS staff have the discretion to waive the additional \$150 basic member fee for new members

for the first year, was made by Dawson, seconded by Bendix, and unanimously approved by voice vote.

As a discussion issue, Schneider asked the Board to think about whether the current WiLS membership categories are appropriately defined. Does WiLS need to align their categories more closely with the definitions that OCLC uses? Specifically, is it appropriate to define a full member of WiLS as one that contributes cataloging records? Other similar state-wide organizations are structured differently. Missouri has only two categories: Governing Members (who have representation on the Board), and non-governing members. Governing members pay a higher membership fee to be allowed to participate in the leadership of the organization. Schneider will describe some new price breaks for members who contribute cataloging to OCLC at the fall meeting, and Board Members will continue their discussion of membership categories at that time as well.

WiLSWorld and Adjournment

Board Members commented on the high quality of speakers at this year's WiLSWorld conference, and asked Schneider to commend staff on a job well done. Attendance numbers reached targeted levels, approximately matching attendance last year.

A motion to adjourn was made by Dawson, seconded by Hafeman and unanimously approved by voice vote. Meeting adjourned at 2:45 p.m.

Submitted

Cynthia Lynch, Secretary